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## Via ECF

Hon. Marcia M. Henry United States Magistrate Judge United States District Court Eastern District of New York

Re: Allstate Ins. Co., et al. v. Accelerated Surg. Ctr. of N. Jersey, LLC, et al.,

Index No. 23-CV-6194 (EK) (MMH)

Plaintiffs' Status Report on Defendant's Bankruptcy Proceedings

## Dear Judge Henry:

We represent the Plaintiffs Allstate Insurance Company, Allstate Indemnity Company, Allstate Property & Casualty Insurance Company, and Allstate Fire & Casualty Insurance Company ("Plaintiffs") in this action, and we write to respectfully submit this Status Report in accordance with the Court's Order of November 21, 2024.

As directed by the Order, we write to update the Court regarding the chapter 13 case of Defendant Kristappa Sangavaram, M.D. ("Dr. Sangavaram"). It continues to be Plaintiffs' understanding, based on review of the docket as well as discussions with bankruptcy counsel, that the automatic stay remains in effect as to Dr. Sangavaram. See 11 U.S.C. § 362; In re Sangavaram, No. 23-16199 (JKS), ECF No. 18 (Bankr. D.N.J. Aug. 10, 2023) (Order extending automatic stay upon motion pursuant to Bankruptcy Code Section 362(c)(3)(b)).

Counsel for Plaintiffs and for Dr. Sangavaram have continued the discussions referenced in the Status Report of November 15, 2024 (ECF No. 45), and progress has been made toward a potential settlement of Plaintiffs' claims herein against Dr. Sangavaram. Plaintiffs and Dr. Sangavaram continue to contemplate that such a settlement may also resolve all claims herein against the remaining entity Defendants Bedford Medical Services P.C., Elmwood Park Medical

Group P.C., Molnar Medical Services P.C., Riverside Medical Services P.C., Tremont Medical Services, P.C., and Tristate Multispecialty Medical Services PC (the "PC Defendants") of which Dr. Sangavaram is the record owner, though the PC Defendants are not themselves debtors in any bankruptcy proceedings.

Plaintiffs will continue to update the Court on the status of the bankruptcy proceedings and their discussions with counsel for Dr. Sangavaram and, pursuant to the Court's November 21 Order, will submit a further update on or before March 4, 2025.

Respectfully submitted,

SHORT & BILLY, P.C.

By: Andrew S. Midgett, Esq.

Attorneys for Plaintiffs